

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 4377-01  
BILL NO.: HB 2013  
SUBJECT: Health Care; Mental Health; Department of Mental Health  
TYPE: Original  
DATE: March 27, 2000

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$290,039)	(\$286,299)	(\$297,152)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$290,039)</b>	<b>(\$286,299)</b>	<b>(\$297,152)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Federal	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**\*Revenues and expenditures of approximately \$50,000 annually net to \$0.**

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of Administration - Division of Budget and Planning** assume this proposal would not fiscally impact their agency.

**Department of Mental Health (DMH)** officials assume a regional coordinator and clerical support would be required for each of the five regions, and expenses for such staff would be the responsibility of DMH. DMH further assumes that this proposal would apply only to state operated mental health facilities. DMH state this assumption is based upon the wording in Sec. 630.201(1) limiting mental health facilities to those "recognized as such by the department". DMH currently has no process which "recognizes", certifies or licenses mental health facilities, but does certify administrative agents and CPR programs. DMH states the costs reflected in this note are only costs associated with state operated facilities.

**Oversight** assumes that DMH would need three regional coordinators (\$45,000) that would perform the duties outlined in this proposal.

Officials from the **Office of Lieutenant Governor (MLG)** state the proposal creates the State Ombudsman for Mental Health Facility Residents to help assure the adequacy of care received by residents of mental health facilities and to improve the quality of life experienced by them. MLG assumes that two people would be needed to handle incoming telephone calls and letter requests and questions and to refer complaints to the regional ombudsman coordinators. MLG states these people would also be responsible for the recommendation to relevant governmental agency changes, monitoring the development and implementation of federal, state, and local laws, and regulations and policies with respect to mental health facilities and services, they would also promote community contact and involvement with residents of facilities, and would establish statewide policies and standards for implementing the activities of the ombudsman program.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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### **GENERAL REVENUE FUND**

#### Costs - Office of Lieutenant Governor

Personal service (2 FTE)	(\$107,000)	(\$112,350)	(\$117,958)
Fringe benefits	(\$32,903)	(\$34,548)	(\$36,272)
Expense and equipment	<u>\$15,939</u>	<u>(\$2,167)</u>	<u>(\$2,232)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
Total <u>Costs</u> - Office of Lieutenant Governor	<u>(\$155,842)</u>	<u>(\$149,065)</u>	<u>(\$156,462)</u>
<u>Costs - Department of Mental Health</u>			
Personal services (2.19 FTE)	(\$98,550)	(\$101,014)	(\$103,539)
Fringe benefits	(\$10,101)	(\$31,062)	(\$31,838)
Expense and equipment	<u>(\$25,546)</u>	<u>(\$5,158)</u>	<u>(\$5,313)</u>
Total <u>Costs</u> - Department of Mental Health	<u>(\$134,197)</u>	<u>(\$137,234)</u>	<u>(\$140,690)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$290,039)</u></b>	<b><u>(\$286,299)</u></b>	<b><u>(\$297,152)</u></b>

#### **FEDERAL FUNDS**

Income - Department of Mental Health			
Medicaid reimbursements	\$57,107	\$50,758	\$52,036
<u>Costs - Department of Mental Health</u>			
Personal services (.81 FTE)	(\$36,450)	(\$37,361)	(\$38,295)
Fringe benefits	(\$11,208)	(\$11,489)	(\$11,776)
Expense and equipment	<u>(\$9,449)</u>	<u>(\$1,908)</u>	<u>(\$1,965)</u>
Total <u>Costs</u> - Department of Mental Health	<u>(\$57,107)</u>	<u>(\$50,758)</u>	<u>(\$52,036)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

#### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would establish the Office of State Ombudsman for Mental Health Facility Residents within the Office of the Lieutenant Governor. The purpose of the Ombudsman would be to help assure the adequacy of care received by residents of mental health facilities and to improve their quality of life.

In its main provisions, the proposal would: (1) require the office to establish and implement procedures for receiving and resolving complaints made by or on behalf of residents of mental health facilities; (2) specify the authority of the Ombudsman or a representative of the office; (3) requires the office to acknowledge complaints, report findings, make recommendations, and publicize its existence; (4) require the office to analyze and monitor the development and implementation of federal, state, and local laws which affect mental health facilities and to recommend to the Department of Mental Health any changes of such laws; (5) require the office to promote community contact and involvement; establish standards for qualifications and training for regional ombudsman coordinators and volunteers; and to develop and propose programs for use, training, and coordination of volunteers and regional ombudsman coordinators; (6) require the office to distribute an informational notice to each facility and certified outpatient treatment programs providing mental health services concerning the functions of the Ombudsman and the complaint filing process; (7) require administrators of mental health facilities to ensure that the informational notice is given to every resident or the resident's guardian and to post the notice in a conspicuous place; (8) require the office to inform residents, guardians, and families of their rights and entitlements as contained in federal and state laws by distributing educational materials and conducting group meetings; (9) allow the office to maintain authority over the disclosure of any files. The identity of a complainant or resident cannot be disclosed unless consent is given or by court order; (10) prohibit representatives of the office from knowingly or willfully disclosing information obtained from a complaint to non-authorized persons. Persons who violate this provision would be guilty of a class A misdemeanor; (11) specify statements or communications provided in good faith which are privileged; (12) specify conditions when the office must testify in a court proceeding; (13) specify the classification of employees of the office; and (14) prohibit reprisals and retaliatory actions against residents and employees of mental health facilities who communicate or who provide information to the office. Persons who knowingly or willfully violate this provision would be guilty of a class A misdemeanor.

This legislation is not federally mandated, would not duplicate any other program and would require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Mental Health  
Office of Administration  
Division of Budget and Planning  
Office of Lieutenant Governor

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director  
March 27, 2000